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NOTICE

The undermentioned Gazettes of India Extraordinary were published upto the 1st April 1958 :—

Issue No.	No. and date	Issued by	Subject
32	G. S. R. 196, dated the 27th March, 1958	Ministry of Steel, Mines and Fuel.	Amendment made in the Mineral Concession Rules, 1949.
33	G. S. R. 197, dated the 28th March 1958.	Ministry of Finance	Amendment made in the Central Excise Rules, 1944.
34	G. S. R. 198, dated the 28th March 1958.	Ditto.	Draft of an amendment to be made in the Customs Duties Drawback (Spectacle Frames) Rules, 1958.
35	G. S. R. 199, dated the 25th March 1958.	Ministry of Transport and Communications.	Amendments made in the Indian Telegraph Rules, 1951.
	G. S. R. 200, dated the 25th March 1958.	Ditto.	Amendments made in the Indian Telegraph Rules, 1951.
36	G. S. R. 201, dated the 13th March 1958.	Ministry of Law	Amendment made in the notification S. R. O. 399, dated the 1st March 1953.
37	G. S. R. 202, dated the 1st April 1958.	Ministry of Home Affairs	Amendments made in the Second Schedule to the Bengal Finance (Sales Tax) Act, 1941.
38	G. S. R. 203, dated the 1st April 1958.	Ditto.	Amendments made in the notification S. R. O. 3987, dated the 14th December, 1957.
	G. S. R. 204, dated the 1st April 1958.	Ditto.	Amendment made in the Second Schedule to the Bengal Finance (Sales Tax) Act 1941.
39	G. S. R. 205, dated the 1st April 1958.	Ministry of Finance	Fixation of the rates per shift, per month, per power looms employed by same persons in the manufacturing Cotton Fabrics.

Issue No.	No. and date	Issued by	Subject
	G. S. R. 206, dated the 1st April 1958.	Ministry of Finance	Amendment made in the notification G. S. R. 86, dated the 1st March 1958.
	G. S. R. 207, dated the 1st April 1958.	Ditto.	Amendments made in the Central Excise Rules, 1944.
	G. S. R. 208, dated the 1st April 1958.	Ditto.	Exemption of all paper of specified quality from excise duty leviable thereon.

Copies of the Gazettes, Extraordinary mentioned above will be supplied on indent to the Manager of Publications, Civil Lines, Delhi. Indents should be submitted so as to reach the Manager within ten days of the date of issue of these Gazettes.

PART II—Section 3—Sub-section (1)

General Statutory Rules (including orders, bye-laws etc. of a general character) issued by the Ministries of the Government of India (other than the Ministry of Defence) and by Central Authorities (other than the Administrations of Union Territories).

MINISTRY OF HOME AFFAIRS

New Delhi, the 1st April 1958

G.S.R. 220.—In exercise of the powers conferred by sub-rule (1) of rule 8 of the Central Civil Services (Classification, Control and Appeal) Rules, 1957, the President hereby directs that, with effect from the 1st April, 1958, all civil posts under the Union other than posts created as specific additions to existing cadres which have already been classified shall in the absence of any general or special order to the contrary, be classified as follows:

Sl. No.	Description of posts	Classification of posts
1.	A Central Civil post carrying a pay or a scale of pay with a maximum of not less than Rs. 850/-.	Class I
2.	A Central Civil post carrying a pay or a scale of pay with a maximum of not less than Rs. 500/- but less than Rs. 850/-.	Class II
3.	A Central Civil post carrying a pay or a scale of pay with a maximum of over Rs. 60/- but less than Rs. 500/-.	Class III
4.	A Central Civil post carrying a pay or a scale of pay with a maximum of which is not more than Rs. 60/-.	Class IV

NOTE.—For the purposes of this Order:

- (i) 'Pay' has the meaning assigned to it in F.R. 9(21)(a)(i) and excludes *inter alia* 'dearness pay'.
- (ii) the pay or scale of pay of a post means the pay or scale of pay prescribed for post—1931 entrants appointed to the posts.

[No. 12/32/56-Ests(B).]

P. SITARAMAN, Dy. Secy.

New Delhi, the 4th April 1958

G.S.R. 221.—In exercise of the powers conferred by section 2 of Union Territories (Laws) Act, 1950 (30 of 1950), the Central Government hereby extends to the Union Territory of Himachal Pradesh, the Punjab State Aid to Industries Act, 1935 (Punjab Act No. V of 1935), as at present in force in the State of Punjab, subject to the following modifications, namely:—

Modifications

1. In section 1, for sub-sections (2) and (3), the following sub-sections shall be substituted, namely:—

“(2) It extends to the whole of the Union territory of Himachal Pradesh.

(3) It shall come into force at once.”

2. In section 2—

(i) in clause (3), for the words and figures “Indian Companies Act, 1913”, 1 of 1956, the following shall be substituted, namely:—

“Companies Act, 1956”;

(ii) in clause (4), for the words “Punjab”, the words, “Himachal Pradesh” shall be substituted;

(iii) after clause (9), the following clauses shall be inserted, namely:—

“(10) ‘State’ means the Union territory of Himachal Pradesh;

(11) ‘State Government’ means the Lieutenant Governor of Himachal Pradesh”.

3. In section 3—

(i) for sub-section (1), the following sub-section shall be substituted, namely:—

“(1) For carrying out the purposes of this Act, the State Government shall, as soon as possible after the commencement of this Act, establish a Board to be called “The Board of Industries” consisting of the following members, namely:—

(a) the Secretary, Department of Industries, Himachal Pradesh;

(b) the Director;

(c) three members to be appointed by the State Government, one of whom shall be a non-official member representing cottage and small scale industries of Himachal Pradesh;

(d) three members to be elected by the Territorial Council of Himachal Pradesh from amongst members of the Council, election being in accordance with the principle of proportional representation by means of the single transferable vote;

Provided that the Board shall have power to invite for consultation on any particular question before it, not more than three persons specially qualified to advise on the matter in question or having special knowledge of local conditions in the area where the industry in question is situated. Any person so invited by the Board shall not have the right to vote.”;

(ii) in sub-section (2), for the words “Minister in charge of Industries”, the words “Secretary, Department of Industries, Himachal Pradesh” shall be substituted.

4. For section 4, the following section shall be substituted, namely:—

“(4) If by such date as may be fixed by the State Government, the Territorial Council of Himachal Pradesh does not elect any member to be elected by it under the provisions of clause (d) of section 3, the State Government shall appoint a member of that Council to be a member of the Board as if he had been duly elected under that clause.”

5. In sub-section (2) of section 7, the proviso shall be omitted.

6. For section 9, the following shall be substituted, namely:—

"Casual vacancies. 9. When the place of any member of the Board becomes vacant by his removal, resignation or death, a new member shall be appointed by the State Government:

Provided that if the place of any member elected by the Territorial Council of Himachal Pradesh becomes vacant, the State Government shall appoint another member of that Council in his place:

Provided further that any person so appointed under this section shall be subject to retirement at the same time as if he had become a member of the Board on the day on which the member of the Board in whose place he is appointed was last appointed a member of the Board.

Provided further that no act of the Board or of its officers shall be deemed to be invalid by reason only that the number of members of the Board at the time of the performance of such act was less than number provided by section 3."

7. In sub-section (2) of section 24, the words and figures "nor anything contained in the Punjab Alienation of Land Act, 1900", shall be omitted.

8. In section 46, clause (a) of sub-section (2) shall be omitted.

9. Section 47 shall be omitted.

ANNEXURE

The Punjab State Aid to Industries Act, 1935, as modified and applied to the Union territory of Himachal Pradesh

THE PUNJAB STATE AID TO INDUSTRIES ACT, 1935

PUNJAB ACT NO. V OF 1935

An Act to encourage the development of Industries in Punjab by the grant of State aid

Preamble.—Whereas it is expedient further to improve and regulate the giving of State aid for industrial purposes;

And whereas the previous sanction of the Governor-General required under subsection (3) of section 80-A of the Government of India Act and the previous sanction of the Governor required under section 80-C of the said Act have been obtained;

It is hereby enacted as follows:—

CHAPTER I

PRELIMINARY

1. **Short title, extent and commencement.**—(1) This Act may be called the Punjab State Aid to Industries Act, 1935.

(2) It extends to the whole of the Union territory of Himachal Pradesh.

(3) It shall come into force at once.

2. **Definitions.**—In this Act, unless there is anything repugnant in the subject or context—

(1) "Board" means the Board of Industries constituted under section 3 of this Act.

(2) "Borrower" means an individual, company or association or body of individuals, whether incorporated or not, to whom or to which State aid has been granted under this Act.

(3) "Company" means a company as defined in the Companies Act, 1956 (1 of 1956).

(4) "Director" means the Director of Industries, Himachal Pradesh.

(5) "Industry" means any industrial business or enterprise conducted or undertaken either by an individual or by a company, association, or body of individuals whether incorporated or not.

- (6) "Cottage Industry" means any industry carried on by a worker in his home and includes dairy farming, bee-keeping, lac-making and keeping a poultry farm.
- (7) "Village Industry" means any industry which forms the normal occupation, whether whole-time or part-time, or any class of the rural population of the State.
- (8) "Machinery" includes plant, apparatus, tools and other appliances required for the purpose of carrying on any industrial operation or process.
- (9) "Prescribed" means prescribed by rules made under this Act.
- (10) "State" means the Union territory of Himachal Pradesh.
- (11) "State Government" means the Lieutenant Governor of Himachal Pradesh.

CHAPTER II

3. *Establishment of a Board of Industries.*—(1) For carrying out the purposes of this Act, the State Government shall, as soon as possible, after the commencement of this Act, establish a Board to be called "the Board of Industries" consisting of the following members, namely:—

- (a) the Secretary, Department of Industries, Himachal Pradesh;
- (b) the Director;
- (c) three members to be appointed by the State Government, one of whom shall be a non-official member representing cottage and small scale industries of Himachal Pradesh;
- (d) three members to be elected by the Territorial Council of Himachal Pradesh from amongst members of the Council, election being in accordance with the principle of proportional representation by means of the single transferable vote:

Provided that the Board shall have power to invite for consultation on any particular question before it, not more than three persons specially qualified to advise on the matter in question or having special knowledge of local conditions in the area where the industry in question is situate. Any person so invited by the Board shall not have the right to vote.

(2) The Secretary, Department of Industries, Himachal Pradesh, shall be *ex-officio* Chairman and the Director shall be *ex-officio* Secretary of the Board.

(3) Four members of the Board shall form a quorum.

4. *Procedure in default of election of members.*—If by such date as may be fixed by the State Government, the Territorial Council of Himachal Pradesh does not elect any member to be elected by it under the provisions of clause (d) of section 3, the State Government shall appoint a member of that Council to be a member of the Board, as if he had been duly elected under that clause.

5. *Vice-Chairman.*—The Board may from time to time elect, for such period as it thinks fit, one of its members to be Vice-Chairman.

6. *Elections and appointments to be notified in official Gazette.*—The names of the Vice-Chairman of the appointed and elected members of the Board shall be published by the State Government in the Official Gazette.

7. *Term of office.*—(1) The Vice-Chairman or any other appointed or elected member may resign his office by giving notice in writing to the Chairman.

(2) (a) Subject to the provisions of this Act an appointed member shall hold office for five years unless the State Government otherwise directs; and an elected member shall hold office for five years or until such time as he ceases to be a member of the body electing him, whichever is shorter.

(b) An outgoing member may, if otherwise qualified, be re-elected or re-appointed.

(3) Notwithstanding the expiration of the term mentioned in sub-section (2) an appointed or elected member shall continue to hold office until the vacancy caused by the expiration of the said term has been filled, provided that no vacancy shall be allowed to remain unfilled for more than six months.

8. *Removal of members.*—(1) The State Government may, by notification, remove the Vice-Chairman or any member of a Board if he—

- (a) refuses to act or becomes incapable of acting as a member of the Board;
- (b) is declared insolvent;
- (c) is convicted of any such offence or is subjected by a criminal court to any such order as in the opinion of the State Government implies a defect of character which unfits him to continue to be a Vice-Chairman or member of the Board; provided that before the State Government notified the removal of a member under this subsection, the reason for his proposed removal shall be communicated to the member concerned and he shall be given an opportunity of tendering an explanation in writing;
- (d) without excuse, sufficient in the opinion of the State Government is absent, without the consent of the Board, from more than four consecutive meetings of the Board.

(2) The State Government may fix a period during which any person so removed under clause (b) or (c) of sub-section (1) of this section shall not be eligible for re-appointment or re-election.

9. *Casual Vacancies.*—When the place of any member of the Board becomes vacant by his removal, resignation or death, a new member shall be appointed by the State Government:

Provided that if the place of any member elected by the Territorial Council of Himachal Pradesh becomes vacant, the State Government shall appoint another member of that Council in his place:

Provided further that any person so appointed under this section shall be subject to retirement at the same time as if he had become a member of the Board on the day on which the member of the Board in whose place he is appointed was last appointed a member of the Board:

Provided further that no act of the Board or of its officers shall be deemed to be invalid by reason only that the number of members of the Board at the time of the performance of such act was less than the number provided by section 3.

10. *Allowances and fees.*—The members of the Board and the members of Committees, which may be appointed by the Board, when necessary, shall be paid travelling allowances of the prescribed amount and on the prescribed conditions for attending meetings of the Board, or for performing any duty assigned to them by the Board for the purposes of this Act.

11. *President at meetings.*—(1) The Chairman or in his absence the Vice-Chairman shall preside at every meeting of the Board, and shall have a second or casting vote in all cases of equality of votes.

(2) In the absence of both the Chairman and the Vice-Chairman the members present at any meeting may elect one of their member to preside, who shall have a second or casting vote in all cases of equality of votes.

12. *Interested members not to vote.*—No member of the Board shall vote on any question coming before the Board for consideration in which (otherwise than in its general application to all persons and properties within the State) he has a pecuniary interest.

Explanation.—In case of any question arising whether a member has or has not a pecuniary interest, the decision of the Chairman shall be final.

13. *Power of Board to make regulations.*—(1) The Board may make regulations consistent with this Act and the rules thereunder for the carrying of all or any of its purposes.

(2) In particular and without prejudice to the generality of the foregoing power, the Board may make regulations regulating or determining all or any of the following matters, namely:—

- (i) the time and place of its meetings;
- (ii) the manner in which notice of meetings shall be given;
- (iii) the conduct of proceedings at meetings;

- (iv) the division of duties among the members of the Board; and
- (v) the appointment, duties and procedure of special Committees consisting wholly of members of the Board or partly of such members and partly of other persons.

14. *Supersession of Board.*—(1) If at any time it appears to the State Government that the Board is not properly performing the duties imposed upon it by or under this Act, the State Government may, after considering any explanation offered by the Board, by an order in writing specifying the reasons for so doing, dissolve the Board and direct that the vacancies, shall thereupon be filled by election in respect of elected members and by appointment in respect of appointed members in the manner indicated above.

(2) From the date of an order under sub-section (1) until the vacancies are filled, all powers and duties of the Board shall be exercised and performed by such person in such manner as the State Government may direct.

15. *Duty of Board.*—It shall be the duty of the Board—

- (a) to report to the State Government, after such enquiry, if any, as it deems necessary or as may be required by this Act, on applications for State aid that may be referred to it for advice by the State Government;
- (b) to advise the State Government on any matter that may be referred to it;

Provided that the State Government shall not sanction State aid without reference to the Board except in the case of a loan the amount of which does not exceed Rs. 5,000.

16. *Documents and reports to be furnished to the State Government.*—If the State Government so directs, the Secretary shall forward to the State Government any document and prepare and submit any report relating to the work of the Board.

CHAPTER III

GENERAL PROVISIONS REGARDING THE GIVING OF STATE AID

17. *Forms of State aid.*—The forms of State aid which may be given may include the following namely:—

- (a) the grant of a loan;
- (b) the grant, sale or lease of land, raw-material, firewood, water or any other property vested in Government for the purposes of the State;
- (c) the payment of a subsidy, in the case of a cottage industry or village industry for any purpose; and in the case of any other industry for the conduct of research or the purchase of machinery;
- (d) the supply of machinery on the hire-purchase system;
- (e) the guarantee of a minimum return on the whole or part of the capital of a joint stock company invested in an industry.

18. *Industries to which several forms of State aid may be given.*—State aid may be given to:—

- (a) a new or nascent industry;
- (b) an industry to be newly established in an area where such industries are undeveloped;
- (c) a cottage industry, or village industry; or
- (d) an industry which needs revival, or development by modern methods.

19. *Application for State aid.*—Applications for State aid shall be made to the Director in such form, and shall contain such information as may be prescribed.

CHAPTER IV

PROVISIONS REGULATING THE GIVING OF STATE AID OTHERWISE THAN BY THE SUPPLY OF MACHINERY ON THE HIRE-PURCHASE SYSTEM

20. *Power to grant loans.*—Loans granted under this Chapter shall be subject to the sanction of the State Government given after consultation with the Finance Department, provided that in regard to loans not exceeding a prescribed amount, the State Government may make rules delegating their powers to such authority or officer as they deem fit.

21. Security for re-payment.—(1) When an application for a loan has been accepted, the applicant shall execute a deed in the prescribed form undertaking to apply the money lent to the purpose or purposes for which and to fulfil the conditions on which the loan was granted, and rendering himself and such property as may have been specified in the deed as security, and in the event of that property being found insufficient, the whole of his property liable for the repayment of the loan with interest and costs, if any, incurred in making or recovering the loan.

(2) When the application has been made by a firm or company the deed shall be executed by a duly authorised representative thereof, and the deed shall thereupon be deemed binding on the said firm or company and the property of the said firm or company shall be liable for the repayment of the loan in the same manner as if the loan had been granted to an individual.

22. Loan how repayable.—The loan together with all interest due thereon, if any, shall be repayable either in a lump sum or by instalments as may be provided for in the deed executed by the borrower under section 21.

23. Notice to pay.—(1) When any loan or instalment or interest thereon falls due and is not paid on or before the due date or when a loan has been declared immediately repayable under section 27, the officer empowered by the State Government in this behalf may cause to be served on the borrower, a notice in the prescribed manner calling upon him to pay the sums due within such time as may be fixed therein.

(2) Such notice shall contain an intimation that in case of default the said officer will issue a declaration in a prescribed form showing the amount of the debt due and the property mentioned in the deed as liable to satisfy the same.

24. Effect of declaration.—(1) If within the time so fixed the sums due are not paid, the officer empowered under section 23 may issue the declaration as described in sub-section (2) of the same section, and such declaration shall be published in the Official Gazette.

(2) Such declaration shall be conclusive evidence of its contents, and shall not be called into question in any court by the borrower, his heirs, legal representatives or assigns, or by any member of his family if he belongs to a Joint Hindu family nor shall any right, principle or rule arising from or under the personal or customary law applicable to the said persons or any of them, affect the validity or effectiveness of a mortgage executed or of a declaration published under this Act, or the procedure therein provided for enforcement thereof.

(3) Such declaration may be produced by the said officer, or by such other persons as he may either generally or specially appoint in this behalf before the principal civil court of original jurisdiction, within the local limits of whose jurisdiction any of the property liable for the debt due is situate in the same manner as a decree of which execution is sought.

25. Execution of declaration.—When declaration has been received by a civil court under section 24, the court shall immediately attach the property mentioned in the declaration and shall pass an order directing that, unless the amount mentioned in the declaration is paid within such time, not exceeding two months, as the court may consider reasonable, it may be recovered by sale of the property mentioned in the declaration as if it were a decree for the payment of money passed by the said court in the exercise of its ordinary civil jurisdiction.

26. Inspection and returns.—In any case in which an application for a loan has been made under this Chapter the applicant, and at any time during the currency of a loan that has been granted the borrower, shall be bound—

- (a) to comply with any general or special order of the Director relating to the inspection of the premises, buildings, machinery and stock in hand of the industry;
- (b) to permit the inspection of all accounts relative to the industry;
- (c) to furnish full returns of all products manufactured or sold both as regards description and quantity;
- (d) to maintain such special accounts and to furnish such statements as the Director may from time to time require; and
- (e) to submit the accounts of the industry to such audit as the Director may prescribe.

27. *Penalty for default in applying the loan.*—If the Director, after any inspection provided for in section 26, is not satisfied that the money lent is being applied to the purpose or purposes for which the loan was granted or that the conditions on which the loan was granted are being duly fulfilled, he may declare, notwithstanding anything contained in the deed executed under section 21 that the loan is immediately repayable and shall give notice of such declaration to the borrower.

28. *Power to adjust security during currency of loan.*—If at any time during the currency of the loan, the value of the security falls below the outstanding balance of the loan, the Director may either proceed to recover in the manner laid down in sections 23, 24 and 25 so much of such balance as is not adequately covered by the then existing value of the security or accept such additional or collateral security as he may deem sufficient.

29. *Power to recover loans.*—If the borrower fails to comply with any order under clause (a) of section 26 or does not permit or obstructs the inspection of the accounts relative to the industry or makes default in respect of any of the particulars specified in clauses (c), (d) and (e) of the said section, or if the borrower disposes of any profits in contravention of the provisions of section 33 the Director may, after considering any representation the borrower may make within such time as the State Government may allow in this behalf, proceed to recover the loan in the manner laid down in sections 23, 24 and 25.

30. *Appeal.*—Within 15 days of the receipt of a notice under sections 27, 28 or 29 the borrower may appeal against such order to the Local Government and the decision of the State Government thereon shall be final.

31. *Government guarantee of a minimum return.*—The conditions of a guarantee by the State Government of a minimum return on the whole or part of the capital or a joint stock company shall be—

- (a) that the industry shall be subject to the conditions of section 26 in respect of inspection, returns and accounts;
- (b) that a minimum portion of the authorized capital of the industry to be fixed according to the circumstances of each case has been subscribed and paid in cash;
- (c) that no such guarantee shall in any case extend beyond a period of 5 years;
- (d) that during the period to which the guarantee extends, the State Government may impose on such persons as it considers to be directly concerned in the promotion of the company, a condition that if they transfer any of their shares without the consent of the State Government, they shall be liable jointly and severally to refund to the State Government any sums paid to the company in fulfilment of the guarantee;
- (e) that the State Government shall be entitled to recover the whole or any part of the sum paid by the State Government on account of such guarantee with interest at the rate in force on the date of the agreement for loans granted under the Land Improvement Loans Act, 1883, at any time after such period as may have been laid down in the agreement, provided that the State Government is satisfied that the company is paying or is able to pay interest or a dividend upon the capital shown as paid up in excess of such rate as may be fixed in the agreement and such recovery shall be made in the manner laid down in sections 23, 24 and 25:

Provided that the sum recoverable by the State Government in any one year shall not exceed a sum equal to half the net profits made by the company in the preceding year in excess of the sum required for the payment of interest or dividend at the rate fixed in the agreement.

32. *Subsidies.*—A subsidy to a cottage industry or a village industry for any purpose and a subsidy to any other industry for the conduct of research or for purchase of machinery may be granted by the State Government on such conditions as may be prescribed in this behalf.

33. *Disposal of profits when conditions on which State aid is given are not fulfilled.*—No borrower shall pay any dividend or distribute or take any profits in excess of such percentage rate upon the amount of the capital of the industry as the State Government may from time to time fix, until the conditions on which the State aid has been granted are fulfilled.

34. Government control of aided industry.—Notwithstanding anything contained elsewhere in this Chapter, the State Government may by the appointment of its own directors or otherwise, exercise such control over the conduct of the industry to which State aid has been given as shall suffice in its opinion to safeguard its interests; provided that such right has been expressly reserved by agreement at the time the aid was granted.

35. Method of recovery of money due.—Notwithstanding anything contained in sections 23, 24 and 25, all arrears of money payable to the State Government under this Act including interests chargeable thereon and costs, if any, incurred may with the previous sanction of the State Government be recovered as arrears of land revenue.

CHAPTER V

SUPPLY OF MACHINERY ON HIRE-PURCHASE SYSTEM

36. Percentages of cost to be deposited by hirer.—No machinery shall be supplied by the State Government on the hire-purchase system unless the applicant therefor deposits with the Director such percentage of the cost thereof as may be prescribed, and furnishes security for the unpaid portion of such cost in the same manner as for a loan granted under the provisions of Chapter IV.

37. Particulars to be specified in order when application is allowed.—When an application is allowed, the Director shall subject to and in accordance with any rules that may be made under this Act, make an order specifying the following particulars, namely:—

- (a) the amount of each instalment of rent to be paid for the hire of the machinery and the number of such instalments to be paid before the machinery shall become the property of the hirer;
- (b) the amount of interest, if any, to be paid with each instalment of rent on the remaining unpaid instalments;
- (c) the dates on which and the manner in which the aforesaid payments shall be made; and
- (d) such other particulars as may be prescribed.

38. Conditions of supply of machinery on hire-purchase system.—Until the hiring is terminated in the manner hereinafter provided, the following provisions shall apply, namely:—

- (a) the hirer shall pay punctually and without demand the instalments of rent and amount of interest specified in the order referred to in section 37;
- (b) the hirer shall retain the machinery in his own possession in good and serviceable order and condition and shall not, without the previous written consent of the Director, make any addition thereto or alteration therein, nor remove the machinery or any part thereof from the premises specified in the application for the supply thereof;
- (c) the machinery shall remain the sole and absolute property of the State Government and any transfer thereof or assignment of any right, title or interest therein or the creation of any mortgage, encumbrance or any other charge thereon by the hirer shall be void as against the State Government unless it has been made with the previous written consent of the Director;
- (d) the machinery shall not be liable to distraint, attachment or sale by any process under any law for the time being in force, otherwise than under this Act;
- (e) the machinery shall bear a metal plate in the prescribed form, and any person who wilfully removes or defaces such plate shall be liable to a fine not exceeding five hundred rupees. It shall be presumed until the contrary is proved that machinery bearing such metal plate is the property of the Government hired out under this Chapter;
- (f) the hirer shall permit the Director or any person authorized by the Director in this behalf to inspect the machinery at all reasonable times, and the Director, or such other person shall have all such powers of entry as may be necessary for the purpose of making an inspection;

(g) in addition to the foregoing conditions the hirer shall be bound by such other conditions consistent therewith as may be prescribed by rules made under this Act, or may be imposed by the Director in any particular case.

39. *Consequence of default by hirer.*—If the hirer makes default in paying the rent of the machinery or any sum payable as interest or any other charges due from him under this Chapter or fails to comply with any of the conditions which are contained in or may be imposed under section 38, the Director may, after giving him 18 days' notice, terminate the hiring and he or any other officer authorized by him in this behalf may thereupon enter the premises in which the machinery is for the time being kept, whether such premises belong to the hirer or not and seize and take away the same.

40. *Option of hirer to purchase machinery seized for default.*—(1) If the machinery is seized and taken away under section 39 the hirer shall have the option to be exercised within one month after such a seizure or such longer period as may be allowed by the Director in this behalf, of purchasing the same by payment to the Director of the unpaid balance of the cost thereof, together with such other amount as may be due, and the cost of and expenses incidental to such seizure and removal.

(2) If within the period specified in sub-section (1), the hirer does not exercise the option of purchase, the Director shall proceed to dispose of the machinery.

41. If the Director terminates the hiring under section 39, and the hirer does not purchase the machinery under section 40, the hirer shall not be entitled to the refund of the sum deposited by him under section 36 or to the refund or remission of any payment made by or due from him during the hiring, and shall be liable to pay such amount, if any, as the Director may determine in respect of any loss caused by the disposal of the machinery under sub-section (2) of section 40.

42. When, after credit has been given for the amount deposited under section 36, the hirer has paid in full all the instalments of rent mentioned in clause (a) of section 37 and the amount of interest, costs and other charges payable by him under this Chapter, he shall become the owner of the machinery and shall thereupon remove from the same the metal plate mentioned in clause (e) of section 38:

Provided that if at any time during the hiring the hirer pays in advance the remaining instalments of rent the interest payable in respect thereof shall be remitted.

43. *Penalty for non-removal of metal plate from machinery.*—If the hirer wilfully omits, after receiving due notice, to remove the metal plate from any machinery which has become his property under section 42, he shall be liable to a fine not exceeding fifty rupees.

44. *Sums due under this recoverable chapter as loans under Chapter IV.*—All sums payable under this chapter shall be recoverable in the same way as loans under Chapter IV.

CHAPTER VI

SUPPLEMENTAL

44. *Sums due under this recoverable chapter as loans under Chapter IV.*—All in Civil and Criminal Courts.—(1) The decision of the State Government as to whether the conditions laid down in or under any of the provisions of this Act have been satisfied shall be final, and no suit shall be brought in any civil court to set aside or modify any order made thereunder.

(2) No prosecution, suit or other proceeding shall lie against any Government officer or other authority vested with powers under this Act for anything in good faith done or intended to be done thereunder.

46. *Power to make rules.*—(1) The State Government may, after previous publication, make rules consistent with this Act for the carrying out of all or any of its purposes.

(2) In particular and without prejudice to the generality of the foregoing power, the State Government may make rules regulating or determining all or any of the following matters, namely:—

(a) regulating the travelling allowance under section 10;

(b) the manner of making application for State aid under section 19;

- (c) the delegation of power to give loans under section 20;
- (d) the form of deed to be executed under section 21;
- (e) the nature and amount of the security to be taken under sections 21 and 36 for the due application and repayment of the State aid or rents together with all interest due thereon, if any, and the rate of interest at which and the conditions under which State aid may be granted;

Provided that where the security consists wholly or in part of the premises, machinery, stock, stores or other property, present or future, moveable or immovable of the industry concerned, then the whole of such property present and future, moveable and immovable, may be made liable for the recovery of the loan and all interest due thereon, if any;

- (f) the inspection under section 28 of the premises, buildings, machinery and stock-in-hand and the mode of keeping and auditing the account and of furnishing returns of any industry in respect of which State aid has been given;
- (g) the manner in and the place at which notices or orders may be served on any borrower;
- (h) the form of the declaration to be used under section 24;
- (i) the fixing of the period for the repayment of loans;
- (j) the application under section 33 of profits in the case in which the conditions on which State aid has been given, have not been fulfilled;
- (k) the appointment and functions of directors appointed by the State Government under section 34 and the prescribing of other methods of control of industries to which State aid has been given;
- (l) the percentage of the cost of machinery to be deposited under section 36;
- (m) the additional particulars to be specified in the order referred to in section 37 and the conditions on which machinery may be supplied on the hire-purchase system;
- (n) the form of the metal plate referred to in clause (e) of section 38;
- (o) the form of notice under section 39;
- (p) the recovery of any sums payable under this Act; and
- (q) all other matters pertaining to the working of this Act.

[No. F.3/4/56-Judl.II.]

S. NARAYANSWAMY, Dy. Secy.

MINISTRY OF EXTERNAL AFFAIRS

New Delhi, the 16th March 1958

G.S.R. 222.—In exercise of the powers conferred by the proviso to Article 309 of the Constitution, the President hereby makes the following further amendment in the Indian Foreign Service Rules, 1954, namely:—

In the Note to Clause (iv) of sub-rule (1) of rule 10 of the said rules, the following shall be inserted at the end, namely:—

"15 Vienna".

2. This amendment shall be deemed to have taken effect on the 1st day of February, 1958 provided that the special outfit allowance shall also be admissible to members of the service who were serving at Vienna immediately before that date and are expected to remain there upto the 31st day of March, 1959.

[No. 155 EIV/58.]

New Delhi (3), the 21st March 1958

G.S.R. 223.—In exercise of the powers conferred by the proviso to article 309 of the Constitution, the President hereby makes the following further amendment in the Indian Foreign Service Rules, 1954, namely:—

In the note to clause (iv) of sub-rule (1) of rule 10 of the said rules, the following shall be inserted at the end, namely:—

"14. Yatung."

This amendment shall be deemed to have had effect on and from the 12th December, 1957.

[No. 75-EIV/58.]

A. S. MANI, Under Secy.

MINISTRY OF FINANCE

(Department of Revenue)

CENTRAL EXCISES

New Delhi, the 12th April 1958

G.S.R. 224.—In exercise of the powers conferred by section 37 of the Central Excises and Salt Act, 1944 (1 of 1944), as in force in India and as applied to the State of Pondicherry, the Central Government hereby makes the following further amendment in the Central Excise Rules, 1944, namely:—

In the proviso to sub-rule (3) of rule 175 of the said Rules, for the words "where such places", the words "if in the case of unmanufactured products such places" shall be substituted

[No. 41/58.]

CORRIGENDUM

New Delhi, the 12th April 1958

G.S.R. 225.—In the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. G.S.R. 73, dated the 1st March, 1958, published at page 67 in the Gazette of India, Part II, Section 3—Sub-Section (1), dated the 1st March 1958—

- (1) For the words "thirty, forty, or sixty sticks" appearing in the last line, read "thirty, forty, fifty, or sixty sticks".

S. K. BHATTACHARJEE, Dy. Secy.

MINISTRY OF COMMERCE AND INDUSTRY

(Department of Commerce & Light Industries)

RUBBER CONTROL

New Delhi, the 7th April 1958

G.S.R. 226.—In exercise of the powers conferred by section 25 of the Rubber Act, 1947, (24 of 1947), the Central Government hereby makes the following amendments in the Rubber Rules, 1955, published with the notification of the Government of India in the Ministry of Commerce and Industry, No. S.R.O. 1662 dated the 1st August, 1955, namely,

In the said Rules—

1. For sub-rules (2) and (3) of rule 3, the following sub-rules shall be substituted, namely,

- "(2) Of the two members to represent the State of Madras, one shall be nominated by the Government of Madras and the other shall represent the large growers. The person representing the large growers shall be

elected from among the large growers of the State of Madras in accordance with the rules set forth in the Second Schedule to these rules.

- (3) Of the eight members to represent the State of Kerala, two persons shall be nominated by the Government of Kerala to represent that State, one of whom shall be the Director of Agriculture of that State. Three persons shall represent the large growers in the State of Kerala and three persons the small growers. The persons representing the large growers shall be elected from among the large growers of that State in accordance with the rules set forth in the Second Schedule to these rules. The persons representing the small growers shall be nominated by the Central Government after making such consultation as it thinks fit."

2. In the Second Schedule, in rule 1, for the words "Travancore-Cochin State", the words "Kerala State" shall be substituted.

[No. 15(5)Plant(B)/57.]

A. K. CHAKRAVARTI, Under Secy.

MINISTRY OF FOOD AND AGRICULTURE

(Department of Agriculture)

New Delhi, the 10th March 1958

G.S.R. 227.—In exercise of the powers conferred by sub-rule (2) of rule 11, Clause (b) of sub-rule (2) of rule 14 and sub-rule (1) of rule 23 of the Central Civil Services (Classification, Control and Appeal) Rules, 1957, the President hereby directs that the following amendments shall be made in the Schedule to the notification of the Government of India in the late Ministry of Agriculture No. S.R.O. 634-A, dated the 28th February, 1957, namely:

In the said Schedule—

- (1) in Part I, after the existing entries, the following entries shall be inserted, namely:

(PART I—General Central Service, Class III)

1	2	3	4	5
<i>Office of the Agricultural Attache, Embassy of India, Rome (Italy).</i>				
All posts-India based	Deputy Secretary, Ministry of Food & Agriculture (Department of Agriculture)	Deputy Secretary, Ministry of Food & Agriculture (Department of Agriculture)	All	Joint Secretary, Ministry of Food & Agriculture (Department of Agriculture)

- (2) in Part II, after the existing entries, the following entries shall be inserted, namely:

(PART II—General Central Services Class IV)

1	2	3	4	5
<i>Office of the Agricultural Attache, Embassy of India, Rome (Italy)</i>				
All posts-India based.	Under Secretary, Ministry of Food & Agriculture (Department of Agriculture)	Under Secretary, Ministry of Food & Agriculture (Department of Agriculture)	All	Deputy Secretary, Ministry of Food & Agriculture (Department of Agriculture)

1

2

3

4

5

Agricultural Attache, (i) to (iii)
Embassy of India,
Rome (Italy).

Deputy Secretary,
Ministry of Food
& Agriculture (De-
partment of Agricul-
ture).

[No. F.24-2/57-FAO.]

I. P. MATHUR, Under Secy.

MINISTRY OF TRANSPORT AND COMMUNICATIONS

(Department of Communications)

(P. & T.)

New Delhi, the 31st March 1958 Chitra 10, 1880 (Saka)

G.S.R. 228.—In exercise of the powers conferred by sub-section (2) of section 16 of the Indian Post Office Act, 1898 (6 of 1898), the Central Government hereby makes the following further amendment to the Indian Post Office Rules, 1933, namely:—

In item (b) of rule 183 of the said Rules, for the words "and Gorakhpur University", the words "Gorakhpur University and Sardar Vallabhbhai Vidyapeeth", shall be substituted.

[No. 24/5/58-CL]

K. K. SARAN, Dy. Secy.

MINISTRY OF WORKS, HOUSING AND SUPPLY

New Delhi, the 27th March 1958

G.S.R. 229.—In exercise of the powers conferred by section 5 of the Indian Explosives Act, 1884 (4 of 1884), the Central Government hereby makes the following amendment to the Rules Regulating the Handling of Explosives in the Port of Bombay published with the notification of the Government of India in the late Department of Works, Mines and Power No. P. 103, dated the 11th March, 1947, the same having been previously published as required by section 18 of the said Act, namely:—

After sub-rule (6) of rule 7 of the said rules, the following sub-rule shall be inserted, namely:—

"(7) The boat shall be fitted with 2 efficient fire extinguishers—1 soda Acid type fire extinguisher and 1 Foam type fire extinguisher, each extinguisher being of two gallons capacity".

[No. S&P. II-Exp.2(18)/57.]

M. N. KALE, Under Secy.

MINISTRY OF REHABILITATION

New Delhi, the 6th March 1957

G.S.R. 230.—In exercise of the powers conferred by section 57 of the Displaced Persons (Debt Adjustment) Act, 1951 (70 of 1951), the Central Government hereby

makes the following further amendments to the Insurance Claims Board Rules, 1952, namely:—

In the said Rules—

- (i) in rule 3, after sub-rule (2), the following sub-rule shall be inserted, namely:—

“(3) The Central Government may appoint a Secretary to the Board for the purpose of performing such duties as may be assigned to him by the Central Government or the Chairman.”

- (ii) in rule 6, for the words “as it thinks fit”, the words “as the Chairman thinks fit” shall be substituted.

[No. 54(16)/55-Prop.I]

P. G. ZACHARIAH, Dy. Secy.